

Dr. Richard A. Marshall
HC 77 Box 237
Sandy Hook, KY 41171

Mr. Charles Borders
Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

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PUBLIC SERVICE
COMMISSION

Dear Mr. Borders:

It is my understanding that a public hearing will be held today in Morehead to consider a rate increase by East Kentucky Power Cooperative that would affect Grayson RECC which serves Elliott County where I live.

The request comes at a time of real hardship for the citizens of northeast Kentucky as we are trying to climb out of the economic turmoil of the recent recession. Elliott County currently has an unemployment rate of 12%. The median annual family income is \$26,500. Many of the families here are elderly and living on fixed incomes. Many of us are retired and receive Social Security, whose benefits did not increase this year nor will they increase next year. My health care insurance has announced a 47% increase in premiums for 2011. Approval of this request would add to our hardship.

Whether the request is justified is for your commission to decide. It is my expectation that you would require the company to show evidence that there is no other alternative to a rate increase for their survival and that all avenues of economy and efficiency have been explored. Arbitrarily cutting the increase in half, as was done previously, only signals the company to ask for twice as much as they want.

I trust that you will act on this request in such a way as to assure the company the profitability they need, but consider foremost the plight of the citizens of this region.

Yours,



Richard A. Marshall